

Hefty gold sales put gleam back into coin market

By Roger Boye

In the wake of a sensational sale of United States gold coins, analysts are predicting that the long-depressed coin market will continue to recuperate.

"The smart money that's been away from rare coins for a couple of years is moving back in," said William D. Hawfield Jr., president of Bowers & Ruddy Galleries Inc. in Los Angeles. "Interest rates are working for us."

Hawfield is one of the hobby's keenest observers. His company has conducted scores of major auctions, but none more impressive than the late-October sale of the only complete set of U.S. gold pieces.

The 1,074-lot auction in New York City garnered more than \$12.3 million in winning bids, a remarkable average of nearly \$12,000 per item.

Two coins drawing great publicity were the only known 1870-S \$3 gold piece and one of three known 1822 \$5 gold pieces. Each fetched \$687,500, the second highest winning bid on a coin sold at public auction [the record is \$725,000 for a gold Brasher doubloon in 1979].

New York dealer Harvey Stack paid for one of the rarities on behalf of a client, and a collector purchased the other. Hawfield refused to identify either buyer.

The massive hoard of gold was assembled between 1934 and 1949 by the late Louis E. Eliasberg Sr. of Baltimore. Several months ago Eliasberg's family sold the collection to an Arizona investment company, which hired Bowers & Ruddy to conduct the auction.

Among the nearly 500 people who attended the three-session sale was Chicago dealer Walter Perschke, president of Numisco Inc. and owner of a Brasher doubloon. He bought more than 50 gold treasures at the auction, some for himself and others for his clients.

Perschke admitted he was surprised by the high prices paid for the two kingpin coins, adding that the rarities might not prove to be as attractive an investment as some of the proof gold pieces that sold for between \$3,000 and \$10,000 each.

"I'm advising would-be buyers to be selective," he said. "They should purchase coins with good fundamentals that still are selling at big discounts from their highs at the market peak in early 1980."

Specifically, he recommended purchase of low-mintage nickel and silver coins in proof or choice uncirculated condition rather than Morgan silver dollars and copper coins that are too near their 1980 highs to be good investments at present.

Perschke also noted that coin prices began "firming" after Labor Day and predicted that the market will continue to go up.